

FISCAL NOTE

HB 4182 - SB 4138

February 28, 2008

SUMMARY OF BILL: Requires the Solid Waste Disposal Control Board to reevaluate criteria for determining if a substance is hazardous waste. Requires the Department of Environment and Conservation (TDEC) and an independent testing entity to conduct monitoring of air, water, and soil at various locations within a five-mile radius of every solid waste processing facility and disposal facility within the state. Prohibits knowingly accepting, processing, or disposing of radioactive waste material in any landfill in the state. Federal entities acting under federal law would be exempt from such requirement.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – Net Impact - \$988,900

**Increase State Expenditures – \$ 631,600/One-Time
\$1,971,600/Recurring**

**Increase Local Expenditures* - \$8,910,000/One-Time
Exceeds \$1,000,000/Recurring**

Assumptions:

RADIOACTIVE WASTE SEGMENT

- State revenue will decrease a total of \$2,640,500 due to the loss of \$460,500 in license fees currently collected from radioactive waste processors, \$180,000 in lost license for delivery fees, and approximately \$2,000,000 as a result of no longer collecting the \$0.15 per pound charge for disposal of such waste.
- TDEC will need five new positions to provide oversight of landfills in the state resulting in a recurring increase in state expenditures of approximately \$320,000. Such increase is for salaries (\$206,700), benefits (\$70,300), travel (\$15,000), printing (\$1,500), office space (\$13,500), phones (\$3,000), office supplies (\$1,500), network connections (\$6,000), and annual contributions to the equipment replacement fund (\$2,500).

- The state is estimated to incur a total increase in one-time expenditures of approximately \$458,000. Such increase is attributable to one-time costs associated with the office landscaping and computer equipment required for the five new positions (\$28,000), mobile radiation monitoring equipment (4 units at \$90,000 each – 4 x \$90,000 = \$360,000), handheld radiation monitoring devices (4 units at \$5,000 each – 4 x \$5,000 = \$20,000), and training for all five new employees estimated to total \$50,000 (5 new positions x \$10,000 training cost = \$50,000).
- 81 landfills in the state are operated by local governments.
- Each landfill will be required to monitor incoming waste.
- Each locally owned landfill will require radiation monitoring equipment to monitor incoming waste. Such equipment is estimated to cost at least \$100,000 per landfill resulting in a one-time increase in local government expenditures of approximately \$8,100,000.
- Locally owned landfill operators will require training to monitor incoming waste. Such training is estimated to be \$10,000 per person. Assuming one person per locally owned facility is trained, there will be a one-time increase in local government expenditures of approximately \$810,000.
- The total one-time increase in local government expenditures is estimated to be \$8,910,000.
- Any recurring costs to local governments to maintain the program are estimated to be not significant.

SOLID WASTE DISPOSAL SEGMENT

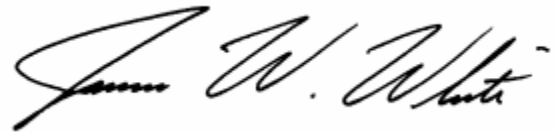
- TDEC will require 31 new positions to conduct the monitoring required by the bill.
- The recurring increase in state expenditures associated with such positions is estimated to be approximately \$1,651,600. Such increase is for salaries (\$1,033,600), benefits (\$351,400), travel (\$93,000), printing (\$9,300), office space (\$83,700), phones (\$18,600), office supplies (\$9,300), network connections (\$37,200), and an annual contribution to the equipment replacement fund (\$15,500).
- The one-time increase in state expenditures associated with such positions is estimated to be approximately \$173,600. Such increase is for office landscaping (\$111,600) and PC's (\$62,000).
- There will be an increase in state revenue of \$1,651,600 corresponding with the requirement that the cost of monitoring be reimbursed by the monitored facilities.
- Because local governments own 81 of the facilities that are required to be monitored there is estimated to be a recurring increase in local government expenditures exceeding \$1,000,000 to reimburse the state

for monitoring expenditures and to pay for the required independent testing.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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